contributed to stringency in call/notice money market.

(b) To ease conditons in call money market, RBI have been injecting liguidity by way of financial support to Discount and Finance House of India Ltd., and Securities Trading Corporation of India Ltd. as well as through some limited open market purchases of dated Government securities.

(c) The introduction of a predetermined ceiling of a band of interest rates beyond which the call money market rate would not be allowed to rise would not be feasible as the call money rate has been freed as part of a conscious policy and unlimited injection of liquidity could be counter to the overall objective of monetary control. Banks have been advised to develop a system of prudent funds management which could reduce their reliance on very large borrowings from the call money market and this could impart an element of stability to call money rates.

Defaulters of Bank loans

2285. SHRI ASHOK MITRA: Will the Minister of FINANCE be pleased to state:

(a) whether the list of leading defaulters of bank loans reportedly prepared by the Reserve Bank of India is proposed to be laid on the Table of the House;

(b) the measures Government intend to undertake to recover the dues from these defaulters; and

(c) whether Government are contemplating any legislation to make bank lending transactions more transparent than at present?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) No. Sir.

(b) Banks initiate suitable action, including filing suits, for recovery of dues from defaulters. Debts Recovery Tribunals have also been established to speed up and recovery of bank dues. In order to alert the banks and financial institutions and put them in guard against the defaluting borrowers, RBI has introduced a system of circulating the list of default accounts (classified as doubtful, loss and suit filed) with outstandings aggregating Rs. 1 crore and above. RBI has advised the banks to make use of such information while considering, on merits, the fresh or additional credit limits to the defaulting borrowers/proprietors/partners/directors etc. either in their own names or in the names of other units with which they are associated.

(c) No, Sir.

Permission Granted to Foreign Banks

2286. SHRI ASHOK MITRA: Will the Minister of FINANCE be pleased to state:

(a) the total number of licences granted to foreign banks for opening branches during 1994-95 and the number of branches actually opened;

(b) whether licences granted during the year also include licences to foreign banks involved in the securities scandal; and

(c) the number of pending applications for permission to open branches from foreign banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) Reserve Bank of India has intimated that during the year 1994-95, five licences have been issued to foreign banks for opening branches in India. Foreign banks opened eight branches during the year, out of which licences for five branches were issued in earlier years.

(b) No, Sir.

(c) Fifteen.

Circle Stationery Deptt. of SBI at Faridabad

2287. SYED SIBTEY RAZI: Will the Minister of FINANCE be pleased to state:

(a) whether Circle Stationery Department, Faridabad (Haryana) of State Bank of India has

recently invited applications from existing empanelled suppliers and from other reputed suppliers for supply of stationery items on regular basis;

(b) if so, the details of stationery items required to be supplied with terms and conditions of such supplies;

(c) whether All Government Offices including Public Sector Undertakings are purchasing stationery items from Super Bazar and Kendriya Bhandar;

(d) whether supplies of stationery items by Kendriya Bhandar and the Super Bazar is qualitative according to requird specifications and also at competitive rates avoiding any nexus between purchasing officials and suppliers;

(e) whether State Banks of India is a Government Undertaking;

(f) whether Government propose to ask S.B.I. and other Public Sector Banks to make their purchase of stationery items only from Super and Kendriya Bhandar in future; and

(g) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (g) The information is being collected and will be laid on the Table of the House.

Decline in Level of Rupee

2288. SHRI G.Y. KRISHNAN: Will the Minister of FINANCE be pleased to state:

(a) whether the rupee dropped to a new low on 3.3.1995, when it touched Rs. 32.15 per dollar;

(b) whether the Rupee again took a drubbing against the dollar on the 7th March when it plunged to Rs. 32.5 per dollar;

(c) if so, the reasons for the decline;

(d) how far will it take the Rupee to come back to its formal level of Rs. 31.37 to a dollar; and

(e) what steps Government have taken or propose to take to ensure that the Rupee does not plunge further particularly in the background of dollar having hit historic lows against the D.M. and Japanese Yen on the 8th March?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) and (b). In terms of FEDAI (indicative) rates (average of buying and selling rates), the exchange rate of the rupee depreciated to Rs. 31.90 per U.S. dollar on March 3, 1995 and to Rs. 31.97 per U.S. dollar on March 7, 1995.

(c) to (e) The exchange rate is market determined. The Rupee strengthened to Rs. 31.5200 per U.S. dollar on March 16, 1995 with increased inflow of foreign exchange.

India's Narcotics Control Programme

2289. SHRI G.Y. KRISHNAN: Will the Minister of FINANCE be pleased to state:

(a) whether, while giving a "clean chit to Pakistan on the basis of national security reasons, the USA has called upon India to take more aggressive enforcement measures to demonstrate greater resolve at the highest level to counter narcotics trafficking and addictions;

(b) if so, the reasons which led the US Government to find serious limitations in the Governemnt of India's narcotics control programme; and

(c) what is Governemnt's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (c) The foreign Assistance Act, 1961 of the U.S.A. required the U.S. President to submit to the Congress a determination of counter drug cooperation of major drug producers or drug transit countries. Decertification can be waived, even if a country may not have fully cooperated, if the U.S. President determines that it is in U.S.A.'s national interest to do so. India's is a